

Previous references.

Sd A 73-16, 1.54 B April 16.
Sd A 213-14, 1. B Jan 15

1916-17
(Open File)

Later references.

File No. 135-16

Serial Nos. 164

GENERAL AND REVENUE SECRETARIAT.

Serial Nos.

1 to 4

Part B for

June 1917

SUBJECT.

Mr. Datta's notes on the audit
of travelling allowance bills

1 Note dated 5.12.16 of Mr. K. L. Datta
on the audit of travelling allowance bills.

4 To Comptroller, other H^{os} of Depts, Secretaries to Govt
By Commr & Mr. Datta.

No: H 7374-423 D 5.6.17

Accepts the suggestions of Mr. Datta & directs that except
in regard to E.A. bills of officers and offices at Bangalore
the present practice of pre audit be discontinued.

W D 88-GPB-60,000-24-7-18

H. Venkataswami
27/8/17

GENERAL AND REVENUE SECRETARIAT.

(G. F.)

NOTES.

File No. 13576

FILE HEADING.

Mr. Dutta's proposals regarding audit
of travelling allowance etc.

From

No.	Dated		Received
Diary No.	Enclos.	Spare Copies.	Serial No.

BRIEF ABSTRACT OF LETTER.

NOTES AND ORDERS.

7mb82



G.R.S. III-3]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

audit of Travelling
Allowance Bills.

Three
~~Two~~ copies of Mr. Datta's note
on the marginally noted subject are
forwarded, with compliments, to the
Financial Secretary to Government
in favour of necessary action. ~~Mr. Datta~~
is interested for the Branch.

Dec 11

ATS Fin

~~Dec 11~~

M

14/12

Ref A

Kindly
~~See~~ see note below. This is a
simple matter viz. substituting
post-audit for pre-audit in the case
of t.a. bills outside headquarters.
Both the advantages & the disadvantages
of the proposed change are fully set
forth in Mr. Datta's & my notes
and necessary action can be taken
if 1st member and Secy pass
orders. Perhaps this need not be
treated as a schedule matter.

abonce

not wait for the next meeting of
the Fin. Committee

N.B. - Should routine notes be written on small slips,
the notes must be copied, or slips pasted on
this form.

Attention is also drawn to the

Serial
No.

Discussion in collection flag B as regards
delay in part of travelling allow claims and
its remedy.

M

13/12
hr

for member

1120
14-12-16

As there is a difference of
opinion between the Comptroller
and the H. Comr. as to whether it is
better to continue the H. Comr.
after introducing the new member

FC (Secy)

14/12
hr

45
20-12-16.

may be disposed of by Resolution
if possible.

I am strongly in favour
of the change. The 7 new reasons
are not convincing - the reasons in
long ago considered - as the present
system introduced in B. India
I am prepared to discuss this at
a meeting if necessary -

11/12/16

6/12
20/12
hr

next meeting.

W. H. C.
25/12

M
25/12

1262
26-12-16

Serial
No.

The subject was considered by the
Finance Committee on 9th January 1917 and
their opinion in the matter is placed below

My
15/1/17

1st member + Dewan)

1443
16.1.17

This, along with the Resolution of
the Finance Committee may be considered
at the next meeting of the Council. If the
officers

well
Dewan) 16/1

4097
17.1.17.

No objection.

20.1.17 do

Council Secy) For favour of placing

before Council 18
20.1.17.

Recd 22.1.17
11 45 P M

Extract from the proceedings of the meeting of the Finance
Committee held on Tuesday ~~the~~ the 9th January 1917

S u b j e c t

Audit of Travelling Allowance bills

Opinion of the Committee

The Committee are of opinion that the existing
system may continue. Mr Banerji is however in favour of
adopting post audit.

" E x t r a c t "


Secretary, Finance Committee

(for disposal at the next meeting)

No. C. 678-17

22.1.1917

GENERAL AND REVENUE SECRETARIAT.

Council Matter.

SUBJECT.

(Clause viii of the schedule)

Mr. Datta's note on the audit of travelling allowance bills.

CIRCULATED TO THE MEMBERS OF COUNCIL.

By Order,

D. M. Nanavati
Secretary to Government.

22nd JANUARY 1917.

Extraordinary Member of Council.

First Member of Council.

Seen.

174
22-1-17
Second Member of Council.

12.1
seen 20/1

gmb82

G. R. S. 12]

General and Revenue
Secretariat.

File No.

of 191 .

Serial
No.

Extract from the Proceedings of the Council is put up.
Forwarded with compliments to the Secretary to
Government, Financial Department,
for favour of necessary further action.

By Order

D. M. Karasipella
Secretary to Government,
General Department,

Ms Fin

for a D.S.N. + Draft order

(2) The purport of my opinion may be
included as also the fact that under the
suggested arrangement there will be provision for
all claims at Headquarters but post audit for
t.a.

M
17/2/17

Drafts subd.
9th Dec 16.2.17.

7 (very)

18
16/2/17

Clean D.S.N.

M
17/2/17

Letter of 14/2/17
to Govt. of India
to sample demer-
it 17/2/17

NOTE - Contn. sheet.

Extract from the Proceedings of the 407th Meeting of the Council
of His Highness the Maharaja, held at Bangalore,
on the 10th February 19 17.

12. SUBJECT.--(Clause viii of the Schedule)

Mr. Datta's note on the audit of travelling allowance bills.

OPINION OF THE COUNCIL.

The system of pre-audit of travelling allowance bills may be discontinued including that of the head-quarter bills.

Sd. M. Visvesvaraya,
Dewan of Mysore.

"EXTRACT"

D. M. Narasimha Rao
Secretary to Government,
General Department.

D. O. No. 36 4618



GENERAL AND REVENUE SECRETARIAT.

Dated Bangalore, 17/2/1917

Dear Sir,

I am directed to forward herewith demi officially a copy
of the resolution of the Council of His Highness the Maharaja

Subject.- Audit of Travelling Allow-
ance bills.

Division of
the Council.- The system of pre-
audit of Travelling Allow-
ance bills may be dis-
continued including that
of the Head-quarter - -
bills.

on the note of Mr. Datta as in the
margin, for favour of necessary
action pending issue of formal
orders of Government.

Yours sincerely,

W. S. Srinivas Sanyal

For F. L. Sanyal

To M. N. Krishna Rao Esq B.A.
BBG Comptroller to Govt.

Hore

G. R. S. III-2]

General and Revenue
Secretariat.

File No.

of 191 .

Serial
No.

Chau S. S. R. S. D.

M. S. 21.2.17 18
24.2.17

M.
28/2

18th Member
Dewan

18
24.2.17

Ar. 9.4. approved by the 1st member.

M.
27/2/17 18
28/2

20 long) 18
3/3/17

Please link the refce received from the
Comptroller today & resubmit with a
brief note explaining the situation.

If approved the matter will be again
placed before the Council -

M.
6/3

Vide note in linked file.

76 long).

18
8.3.17

GENERAL AND REVENUE SECRETARIAT.

(Lp. 7)
NOTES.

File No. 135

FILE HEADING.

Audit of T. & A. bills

From

The Comptroller

No. $\frac{7322}{1472}$

Dated 5. 3. 17

Received 6. 3. 17

Diary No. 2086

Enclos. lil Spare Copies.

Serial No. 3

BRIEF ABSTRACT OF LETTER.

In regard to orders communicated in No. 4618 of 19-2-17 concerning the system of pre-auditing T. & A. bills enquires whether the procedure applies to the Head Quarter T. & A. bills also.

NOTES AND ORDERS.

The orders communicated in No. 4618 of 19.2.17 are in accordance with the opinion of the Council, and the draft for. the issued is also drafted accordingly - The intention of Govt.

NOTES First Sheet.

Serial
No.

is clear and the Comptroller's surmise as to A is not understood.

The question raised by the Comptroller is however a very important one and deserves consideration.

1. With reference to the salary and ~~other~~ ^{other} bills of certain headquarter officers, say, the Dy Commr of Bangalore were being cashed in treasuries without precedent. Under the new arrangement the salary and ^{other} bills of all officers in Bangalore including those of the Public Works Dept - which were being paid by the Divisional officers on cheques are required to be prepaid.

2. Further it is also proposed by Mr. Datta that when the Work bills of the P.W. Dept Officers at Bangalore should be prepaid. This question is before Council, the Finance Committee having agreed with Mr. Datta.

3. In regard to travelling allowance bills, the ^{of} ~~present~~ ^{of} officers at Bangalore the ~~present~~ ^{of} arrangement is proposed to be reversed.

Under the arrangement as now accepted by the Council, the ^{to} ~~to~~ bills of the Dy Commr Bangalore & Mr. S. Srinivas, Bangalore Div. both of which were being prepaid can now be cashed in the Bangalore D. Treas. without precedent, while their salary bills which were

G. R. S. III-2)

General and Revenue
Secretariat.

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subject to post audit are to be provided.
4. In the Presidency towns of British India
where the provision by law is in force, all bills of head quarters offices including travelling
allowance and even contingent bills are
provided.

5. It seems therefore desirable to adopt
a similar arrangement here.

6. The question of amalgamating the
Bangalore District with the S. D. Division
is under consideration of Govt., the Finance
Committee having accepted the proposal
of Mr. Datta.

7. There will ~~be~~ ^{be} then be little
inconvenience ^{& even an advantage} to the ~~provision~~ if a uniform
arrangement is adopted in respect of
both Salary and the bills of all head
quarters offices in Bangalore.

8. The question of having contingent other
bills provided does not now arise and may
be left for subsequent consideration.

9. The Comptroller's action in continuing
the present practice of subjecting the
bills to provision in respect of ^{bills of} all
head quarters offices may be kindly
approved and confirmed.

7th Aug).

P. J. G.

18
8.3.17

G. R. S. III.

General and Revenue
Secretariat.

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of 191 .

4

Serial
No.

I agree as at A - This may be considered
in Council. If the Council modify their
opinion on the linked file submission
note & draft will be prepared accordingly.

M
11/3

1st Member
Dewan.

18
12/17/17.

I recommend the proposition
shall be in conformity with what was
in previous times as stated.

10/3 well

May be considered at a meeting of
Council.

14.9.17 do

Send copy for including in the agenda at an
early date.

M
15/3

Recd 15.3.17
4.30 P.M.

(For disposal at a meeting)

No. C.214 717

17.3.1917

GENERAL AND REVENUE SECRETARIAT.

Council Matter.

SUBJECT.

(Clause viii of the Schedule)

Question of continuing the practice of pre-auditing travelling allowance bills of the Head Quarter offices.

CIRCULATED TO THE MEMBERS OF COUNCIL.

By Order,

S. M. N. N. N. N. N.

Secretary to Government.

15th March

17.3.1917

Extraordinary Member of Council.

First Member of Council.

Opinion recorded.

Second Member of Council.

45
17.3.17

19.3.17

5

Extract from the Proceedings of the 414th Meeting of the Council
of His Highness the Maharaja, held at Bangalore,
on the 31st March 1917.

13. Subject.- (Clause viii of the schedule.)

Question of continuing the practice of pre-auditing travelling allowance bills of the Head Quarter Offices.

OPINION OF THE COUNCIL.

The practice of pre-auditing travelling allowance bills of the Head Quarter Offices and Officers may be continued.

This modifies the resolution of the Council already arrived at in the matter.

DEWAN OF MYSORE.

"EXTRACT"

Sanjay Narayan
Secretary to Government,
General Department.

G. R. S. 121

General and Revenue
Secretariat.

File No.

of 191 .

Serial
No.

Extract from the Proceedings of the Council is put up.
Forwarded with compliments to the Secretary to
Government, Financial Department,
for favour of necessary further action.

By Order.

Ducang Narayan

Secretary to Government,
General Department,

M/S Fin

Encl

m
2/4/17

- 1) Revised B.L. N. draft adm.
- 2) Draft- so brought in pps
which count. forwarding C/Ps of
ch. res. ^{trans.} finding the min 7
forward adms

18
2/4

(1) & (2) subd.

m
3.4.17.

+ Issue (2) at once.

+ submit (1) to 72 day. in type trans.

+ issued
16/4

18
15.4.17

6023
18.4.17
NOTE—Contn. sheet.

Heery

2392—GFB—500—20.3.16

18
17.4.17

Ducan) with chain 5/12 draft-5 approved
by 72 day.

m
17/4/17

Submitted to His Highness.

Mr.K.L.Datta has prepared a note proposing the discontinuance of the system of pre-audit of travelling allowance bills retaining the practice of pre-audit only in respect of bills at head quarters (Bangalore) where the audit and payment may be made without delay.

2. The Financial Secretary in his note dated 13th December 1916 opined that in regard to travelling allowance bills post audit will not be as effective in preventing irregular payment or over payment as pre-audit and that a strong case has not been made out for a change. The Finance Committee (Mr.Banerji being absent on leave) was of opinion that the present practice of pre-audit might continue.

3. The subject was considered in Council on the 10th February 1917 and their resolution was to the effect that the system of pre-audit of travelling allowance bills may be discontinued including that of the head - quarter bills.

4. With reference to this resolution of the Council, the Financial Secretary pointed out that as, in Bangalore, the pre-audit system is now in force with reference to all claims relating to pay and allowances, there would be no valid reason for excluding the head quarters travelling allowance bills alone from the scope of pre-audit.

The subject was again considered by the Council on the 31st March 1917 when the resolution of 10th February 1917 was partially modified to this extent, viz., that the practice of pre-auditing travelling allowance bills of the head quarter offices and officers might be continued.

This modified resolution of the Council and the
draft order prepared in accordance therewith may be
graciously approved.

M. P. M. M. M. M. M.

24th May 1917.

Record of Cases submitted for the Orders
of His Highness the Maharaja

Subject.



Draft order on Mr. Datta's proposals
regarding the audit of travelling allow-
ance bills.

Order.

KRUP
29/5/17

For Lending

31.5.17

20/11/16

As per

For issue of order + putting up
amendment to his R.

2/6

G. R. S. III-2]

General and Revenue
Secretariat.

97 File No. 135 of 1916

Serial
No.
4

To Comptroller, other Heads of Dep'ts,
Secretaries to Govt, Dy Commrs of Divs,
& other officers.

no: 7574-423 Dated 5 June 1916
Accepts the suggestions of Mr. D. L. B.
by directs that except in regard to
the bills of Officers & Officers at Large
the present practice of preaudit be
discontinued, ^{states} that Art 643 M.S.R.
will be modified accordingly & requests
the Comptroller to issue subsidiary
instructions in the matter for the
guidance of all officers.

AUDIT OF TRAVELLING ALLOWANCE BILLS.

Article 643 of the Mysore Service Regulations requires that all travelling allowance bills should be audited by the Comptroller's Office before they are paid. This procedure was long ago given up in British India where travelling allowance bills like other bills, are now paid at District Treasuries after they have been passed by the countersigning officer but without any preaudit by the Audit Office. The bills are subsequently subjected to regular audit in the Audit Office like all other bills. The system of preaudit is of course retained at headquarters where the audit and the payment may be made simultaneously, *i.e.*, where the audit does not lead to delay in payment. If the post-audit of travelling allowance bills has been found to work satisfactorily in British India, the reason, why it should not work equally well in Mysore, is not very clear. Should there be reason to believe that there is likely to be loss of control over claims on account of travelling allowance by the substitution of the post-audit for the pre-audit system, the proper course should be to remove these causes which are likely to render control over this class of expenditure ineffective. My own impression is that the difficulties are exaggerated and the aversion to change in this respect is due to want of a clear conception of the obligation of Government in the matter of prompt discharge of claims against it.

2. I have had already more than once to observe that the policy of the Accounts Office here, has been most conservative and that no change is ever adopted that has not been tried and accepted in British India. But in the case of the audit of travelling allowance bills, even this has not been done. The one strong objection to a change of procedure is, as already stated, that it will lead to loss of control and the causes, which it is feared, will lead to this loss of control are probably, (1) that the Audit Office is not likely to exercise such close check, as it does at present, over paid bills and (2) that retrenchments made from travelling allowance bills cannot be effectively enforced as the objections of the Audit Office are often ignored by the departmental officers and the treasury.

3. Before examining what weight should be attached to these fears and how far they should influence an authoritative decision on the question, it is necessary to consider why the post-audit system, which has been working satisfactorily in British India, should not be expected to work equally well here. The conditions of service in the numerous provinces in British India are as varied as they could conceivably be, and when a system is found to have been working well under all the varied conditions in British India, it is not easy to see that it will be unworkable here. The argument that the post-audit system is unsuited to local conditions can hence have no force. It must be admitted that human nature being the same everywhere, the tendency on the part of Mysore officers to draw allowances which they are not entitled to, cannot be greater than what it is in other parts of India and it seems to me erroneous to presume that Mysore officers will, under a system of post-audit, draw amounts largely in excess of what they are entitled to and that the excesses will be larger than in British India. If it should be otherwise, it will mean that the Mysore officers are devoid of the sense of responsibility and honour which is common in British India. Surely the experience of those who have had the opportunity of studying them at close quarters, should not support the view which the want of confidence on the part of the Audit Office would seem to suggest.

4. The first of the causes likely to lead to loss of control is that the Audit Office may not exercise the same amount of scrutiny over paid bills as over bills submitted for pre-audit. The Audit Office is not likely to urge this as a serious objection, but it is still a contingency to be guarded against. To prevent such a possibility, the remedy is not to require every bill to be submitted for audit before payment but to require the post-audit of the bills to be reviewed by Gazetted Officers.

5. The second of the reasons that might be urged in favour of the retention of the existing procedure, is that it might not be possible to enforce recovery of the amounts overdrawn. It is true pre-audit dispenses with the necessity of maintaining an objection book and watching excess payments and under such a system there is no need for ordering or watching retrenchments. It must be admitted that from an audit point of view, pre-audit has a distinct advantage in as much as the officer preferring the claim has to satisfy the Audit Office and comply with all the requirements of the rules before his claim is admitted and discharged. But the drawbacks of the pre-audit system are more numerous. When bills are pre-audited, they have again to be scrutinized when they are received back after payment at treasuries, to see whether a proper receipt, duly stamped if necessary, has been given on the bill and whether the proper amounts have been paid. The voucher number and the month of payment have also to be posted in the audit register. These render the pre-audit system a process of double audit, *i.e.*, the bills are practically only partially audited before payment and partially afterwards. Then the delay in payment is a serious blot on the system.

6. Further, the charges on account of travelling allowance are most often thrown forward to the next year and the check of the charges with reference to Budget grant, which is an important factor, is rendered difficult. Most of the bills passed at the close of the year will be paid in the following year and the audit against grant cannot be conducted either before the bills are passed or after they are paid and so long as Budget check is not effective, the audit must be held to be substantially defective. A pre-audited bill carries with it an order for payment and as such it will not be correct to withhold payment or to say that the payment is irregular for want of grant to cover the same after it is once passed for payment. The audit register in which the bills are posted as they are passed, can give only the total of the amounts admitted and not of the amounts paid, and as the audit against grant must be with reference to the amounts paid, the register is not of much help. Fluctuating charges are controlled mainly by means of grant and whatever may be the subsidiary rules to regulate such charges, the audit fails in this important respect.

7. The difficulty in regard to recovery of overpayments is not at all serious. The Civil Account Code lays down that a Treasury Officer is bound implicitly to follow the instructions of the Audit Office and to recover amounts disallowed without listening to any objection or protest. He is allowed no discretion and it is the duty of the Comptroller to see that Treasury Officers carry out his instructions. Under article 16 of the Civil Account Code, "his objections must prevail absolutely and immediately over every other authority under Government." If the Audit Office has failed to exercise its powers, the fault is not so much in the post-audit system as with the Audit Office itself. The work of no Audit Office can be considered efficient if it cannot enforce prompt recovery of excess payments.

8. The rules require that all Travelling Allowance claims should be countersigned. The claims of subordinates are not only scrutinised by the Head of the office but are in most cases checked before countersignature by the Head of the Department. There is thus a double check in most cases. In the case of responsible officers, mostly of the Gazetted rank, the bills are similarly countersigned by the Head of the Department or the Deputy Commissioner of the District. Thus travelling allowance bills undergo independent checks more than once, except in a few cases, and the cases where they do not undergo such check are those of very high officers. There are thus sufficient safeguards to check abuse. The countersigning officer is responsible for the correctness of claims. He is responsible as much for the facts on which the claims are based as for the amounts claimed. He has to satisfy himself that the journeys were necessary in the interests of the service, and that there was no tendency on the part of the officer performing the journey to sacrifice the interests of Government so as to enable him to draw a large amount of travelling allowance. He has to scrutinise distances as well as rates. In fact, the responsibility of the Audit Office as compared with that of the countersigning officer is very small. With such safeguards the continuance of pre-audit seems to be objectless.

9. It is a fundamental principle of all administrations conducted on modern lines, that claims against Government should be discharged as promptly as possible and every audit

procedure must be framed with a view to attain this end. When claims have been independently examined and passed by controlling officers, there is no reason why they should be deferred till the Audit Office has admitted them. If there be any dereliction of duty on the part of controlling officers, there are several ways by which their responsibility could be brought home to them. I am of opinion that if there is any slackness in the matter of checking travelling allowance bills on the part of controlling officers, it has been brought about to some extent at least, by the pre-audit system itself. A rigorous pre-audit system tends to weaken the vigilance expected to be exercised, by countersigning officers and they become slack not only in exercising the checks which can be exercised by the Audit Office but also in applying others which cannot be exercised by the Audit Office, namely, the necessity of the journeys performed. The large amounts that are now retrenched is probably a result of the controlling officers having partially divested themselves of their responsibility and I am inclined to attribute it not so much to inefficiency or carelessness on the part of the countersigning officers as to the pre-audit system having removed from them the incentive to do this part of their work properly. In any case, if the controlling officers are habitually careless, the remedy is to take measures to compel them to do their work with proper care and not to penalise subordinate officials whose bills are required to be scrutinized and passed by the controlling officers.

10. All officers have a right to get their travelling allowances soon after they have performed their journeys, and it is not fair that Government should ignore this right because the claimants are its own employes and as such cannot enforce their claim, or because the controlling officers could not be trusted to do their duty in this respect properly. In either case it is unfair to penalise them by deferring payment for no fault of theirs. Further, it must also be admitted that under the present system the officers, who claim no more than what they are legitimately entitled to, have to suffer along with others.

11. It therefore seems to me, that the present antiquated system viewed from whatever standpoint, has serious drawbacks and that travelling allowance bills should in future be allowed to be paid after they are countersigned by the controlling officers. If it be found that controlling officers in any particular Department systematically fail to exercise a proper check over the travelling allowance bills of their Department, the privilege of getting its bills paid without pre-audit may be withdrawn from it. The fear of withdrawal of the privilege, will itself be a sufficient safeguard against indifferent scrutiny of claims.

12. From the appended statement, it will be seen that the percentage of amounts retrenched from travelling allowance bills to the total amount claimed, varies from 3.3 to 4.4 but if the countersigning officers are held responsible for having passed irregular claims, the tendency on their part to pass doubtful claims and leave them to be disallowed by the Audit Office will undoubtedly decrease. If it is considered that the rules are too intricate to be correctly understood and applied by controlling officers, they ought to be revised and made as simple as possible. The officers claiming the allowance must know what the rules are before they could correctly claim the proper amount. The existing rules admit of considerable simplification and ought to be made as simple as possible. Such a simplification will lead directly to less correspondence, speedy disposal of travelling allowance bills and fewer irregular claims.

13. One other point which strikes me is, that the rates of travelling allowance allowed here, are far in excess of those allowed in British India and that there has been an enormous increase in the charges under this head. It will be seen from the statement appended that for the Departments under the audit of the Civil Department alone, the total expenditure on account of travelling allowance has gone up in two years from Rs. 3,82,819 in 1912-13 to Rs. 5,02,504 in 1914-15 or by 31 per cent. The cause of this phenomenal increase requires close investigation and the serious consideration of Government. The fundamental principle that travelling allowance should not be a source of profit seems to have been lost sight of in the fixing of the existing rates. I am aware that the rates are about to be reduced but even the reduced rates appear to me to be high. The essential principles that travelling allowance is intended only to meet the actual expenditure incurred for locomotion, that officers when travelling on duty by rail should get railway fare only of the class by which private persons of that class usually travel on their private account, that travelling allowance is not intended

to cover any charges for board and that it is intended to meet only extra charges in other directions which the official would not have incurred had he not been travelling on duty, seem to have been ignored in fixing the rates. Another cause which has contributed to the increase in the charges for travelling allowance is the fact that many officers do not hesitate to perform long journeys with their own motor cars with the sole object of enhancing their travelling allowance by drawing mileage for such journeys. If Government wants it, I am quite prepared to submit a detailed criticism of the rates about to be fixed.

K. L. DATTA,

5.12.16.

Statement showing the amounts of Travelling Allowance admitted and retrenched during the 3 years from 1912-13—1914-15.

Department	1912-13		1913-14		1914-15	
	Admitted	Retrenched	Admitted	Retrenched	Admitted	Retrenched
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land Revenue ...	48,808	4,344	60,030	7,668	51,982	7,338
Forest ...	41,926	1,004	55,174	1,925	55,496	1,703
Excise ...	19,926	629	20,195	812	23,644	1,003
Registration ...	2,220	28	2,042	59	1,678	61
General Administration ...	49,198	1,826	76,376	1,837	74,074	1,963
Law and Justice ...	41,934	203	52,916	189	51,459	433
Police ...	61,497	3,355	78,023	4,208	96,209	3,328
Education ...	49,681	1,341	59,449	1,856	87,722	3,189
Muzrai ...	592	22	786	23	1,967	76
Medical ...	28,477	956	32,744	1,126	30,657	1,177
Scientific and other minor Departments.	9,775	321	12,821	223	7,955	1,002
Stationery and Printing ...	4,986	15	734	19	824	...
Army ...	23,799	301	40,233	234	18,837	702
Total ...	3,82,819	14,345	4,91,533	20,179	5,02,504	21,975

Unpublished Remarks

I support the proposals of Mr. Datta.

The present system of pre-audit has many defects and its one merit is that unauthorised claims are disallowed before payment and there is accordingly no need for ordering retrenchments of amounts paid in excess. Under the arrangement of post audit, the preparation of travelling allowance bills and the examination of claims preferred in them require greater care on the part of both drawers and controlling officers. If proper care is not taken by any department in this respect and if the disallowances from its bills are numerous, the privilege of getting its travelling allowance bills paid before audit may be withdrawn as proposed in paragraph 11. The audit of travelling allowance claims though conducted after audit should, of course, be as vigilant as under the pre-audit system. Efficient audit can be secured by requiring the post-audit of travelling allowance bills to be reviewed by gazetted officers as proposed in paragraph 4 of the note. As for effecting recovery of amounts disallowed, there ought to be no difficulty as every retrenchment order is issued to the Treasury which must carry it out. I think that, subject to the safeguards suggested by Mr. Datta, the travelling allowance bills except those of some quarters may be paid before audit.

(sd.) H.S. Krishna Rao,

Offr. Comptroller in Mysore.

10th December 1916.

Travelling Allowance Bills.

Arguments in favour of retaining
pre-audit:-

(1) Travelling Allowance Bills are different from salary, establishment and contingent bills in as much as the claims are not definite, a fixed rate of salary or prices actually paid for things but have to be determined under a set of rather complex rules. The number of cases in which doubt may arise or mistakes made is considerable. Therefore in order that inadmissible claims may not be paid out of the treasury in a considerable number of cases, pre-audit is desirable.

*statement at the foot
of Mr. Datta's note.*

(2) The amount retrenched in the Civil Departments only come to about Rs. 22,000 - per annum. Including all departments the amount may be Rs. 30,000 ^{or so} ~~to Rs. 40,000~~ per annum. The introduction of post-audit will mean that this inadmissible amount will have to be paid out of the treasury in the first instance and then recovered in *drill* through the usual process of issuing retrenchment slips, etc. A small amount will become irrecoverable owing to death, resignation, etc.

(3) The number of travelling allowance bills in hand in the Travelling Allowance -- Section of the Comptroller's office represents only a few days' receipts and the average delay involved in pre-audit is therefore only a few days. The delay really takes place in

Flag B.

in the drawing and countersigning offices and this will not be removed by ~~canceling~~ ^{discontinuing} pre-audit.

(4) The case of travelling allowance bills paid from local funds subject to local audit requires separate consideration. In these cases, if the system of post-audit of travelling allowance bills is introduced -- amounts drawn in excess may remain unchallenged for a year or more and verification of the fact of recovery may have to wait for another year.

(5) The work of the audit office will not be reduced; for against the saving of labour in making notes of payment there will be the work of watching the recoveries and maintaining a fairly large objection book. It will be difficult to get replies to objections which are not retrenchments, e.g., call for further information, etc., and correspondence will increase.

(6) Even if all bills under the post-audit system are reviewed by a Gazetted Officer, post-audit cannot be quite so effective as pre-audit. In pre-audit all doubts are removed before the bill is passed for payment. In post-audit a retrenchment slip can be -- issued only in a few cases; in a large number of cases the amount will simply have to be placed under objection in the first instance and additional information called for. The amount under objection will thus very considerably increase.

In the foregoing circumstances a
strong case does not appear to have been
made out for a change.

J. Chakravarti
13. 12. 46

It is requested that in future communications on the subject, the No. and date of this letter, and the distinguishing letters below the number as given opposite, may be quoted and addressed to the Comptroller, Mysore Government.

Urgent

20 2086

57 135-16
Ser: 2

the communications.

No. T. 1. 135-16

OFFICE OF THE COMPTROLLER, MYSORE GOVERNMENT,

Dated Bangalore, the 5th March 1917

FROM

Krishna Rao, Esq.,
J. I. Chakravarti, Esq.,

K. R. S. K. R. S. K. R. S.

Offg. Comptroller to the Government of
His Highness the Maharaja of Mysore.

TO

Rajamonttrapravina Diwan bahadur
J. I. Chakravarti, Esq., B.A., F.R.A.S., Etc.,

Secretary to the Government of Mysore,

Financial Department.

SIR,

The orders communicated in your D.O. No. F1. 4618 dated 19th February 1917 regarding the discontinuance of the system of pre-audit of travelling allowance bills direct the application of the new procedure to the headquarter travelling allowance bills also. Government have recently sanctioned the arrangement of subjecting to pre-audit headquarter bills which were hitherto subject only to post-audit and I, therefore, feel doubtful if it is their intention to make ~~an~~ an exception in the case of headquarter travelling allowance bills which are even now preaudited and which should continue to be pre-audited under the orders conveyed in your D.O. No. F1. 4618 dated 19th February 1917. I have the honour, in the circumstances, to request further orders of Government in the matter. As the orders already communicated direct that necessary action should be taken to give effect to them, I have, in the circular issued by me on the subject, provided, pending further orders of Government, for the pre-audit of headquarter travelling allowance bills.

I have the honor to be,
Your most obedient servant,

M. N. S. M. S. M. S.
Offg. Comptroller.

46

.....Department.

1917 .

FROM

~~J. S. CHAKRAVARTI, Esq., M. A.,~~

~~F. R. A. S., ETC.,~~

*The Comptroller to the Govt. of
H. H. the Maharaja of Mysore.*

To

....., Esq.,

the Secretary to the Govt. of Mysore,

Financial Dept.

Dated

Despatched 5.2.17

Received

No. 2472

Subject matter.

*Requests to know whether exception
has been made in regard to the head
quarter travelling allowance bills
of the issue of early orders of government
in the matter*

Diary No. of letter replied to

General and Revenue Secretariat

()
the 191 . }

To

No. JH 6520

D.O. 16 April 17

Date of issue. 16-4-17

Signed by W. Green (in charge)

Subject: Audit of t.a. bills.

Opinion of the Council

The practice of preauditing
t.a. bills of the Head Quarter
offices and officers may be
induced

Dear Sir,

In reply to your letter
No. 7322/J.A. 72 dt. the 5th March 17I am directed to forward herewith
demi-officially a copy of the
modified resolution of the Council
of H. H. the Maharaja on the report
of Mr. Datta as in the margin,
information
for ~~future~~ necessary action
pending issue of formal orders
of Govt.

Yours sincerely

16

over 5/4/17

For H. Secy

SUBJECT.

To Mr. N. Krishna Rao Esq. B.A.
Offg Comptroller

2/24

Proceedings of the Government of His
Highness the Maharaja of
Mysore.

-:0:-

Read:-

Note from Mr. K.L.Datta, Special
Officer, dated 5th December 1916, on the sub-
ject of the introduction of post ^{audit} ~~audit~~ of --
travelling allowance bills.

Order thereon No:-

36 7374-423
47135-16-24

Dated, Bangalore,

April 1917

5 June

Under the ruling contained in Art: 643
Mysore Service Regulations all ~~the~~ travel-
ling allowance bills are required to be pre-
audited by the Comptroller before they can
be paid. Mr. Datta, in his note read above
points out that this ^{provision} ~~procedure~~ was long ago
given up in British India, and suggests that
in view to avoid the delay involved in the
system of payment after preaudit, travelling
allowance bills in Mysore may in future be
allowed to be cashed in treasuries without
much preaudit, *after they are duly certified by
controlling officer as required by the rules.*

He proposes however to retaining the
system of preaudit in respect of the travel-
ling allowance bills of Head Quarter Offices
i.e. those at Bangalore ~~where the audit and~~
~~payment~~

~~payment may be made almost simultaneously~~

To ensure that the change in the system does not tend to any loss of control in the audit office in respect of the checking of travelling allowance claims, he ~~also~~ suggests that the post-audit of all travelling allowance bills should be reviewed by ~~the Comptroller~~ ^{the Comptroller} ~~Sanctioned Officers~~ ^a ~~Sanctioned Officers~~ ^{Sanctioned Officers} ~~at~~ ^{at} ~~Head quarters~~ ^{at} ~~in~~ ^{at} ~~the~~ ^{the} ~~Comptroller's~~ ^{Comptroller's} ~~Office~~ ^{Office}.

Government are pleased to accept all the ~~above~~ suggestions of Mr. Datta and direct that except in regard to travelling allowance bills of officers and offices ~~at~~ ^{at} ~~Head quarters~~ ^{at} ~~in~~ ^{at} ~~the~~ ^{the} ~~Comptroller's~~ ^{Comptroller's} ~~Office~~ ^{Office} Bangalore, the present practice of preaudit be discontinued.

Article 643 Mysore Service Regulations will be modified accordingly.

The Comptroller is requested to issue ~~necessary~~ subsidiary instructions in the matter for the guidance of all officers.

M 17.4.17
Financial Secretary to Govt.

18
17.4.17

To
The Comptroller
The other Heads of Dep'ts
The Secretaries to Govt.
The Dy. Commr of ST
Svs Mr. K. L. Datta